

**2017 DRAFTING REQUEST****Bill**For: **Robin Vos (608) 266-9171**Drafter: **chanaman**

By:

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Date: **11/29/2018**

May Contact:

Same as LRB:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Omnibus compile

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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	chanaman 11/30/2018	wjackson 11/30/2018			State S&L
/1			dwalker 11/30/2018	dwalker 11/30/2018	State S&L

FE Sent For:

&lt;END&gt;

at intro

1           (2) DRUG TESTING AND TREATMENT IMPLEMENTATION DEADLINE. The department  
2 of health services shall implement the substance abuse screening, testing, and  
3 treatment under s. 49.791 by no later than October 1, 2019, and before  
4 implementation shall comply with s. 20.940 (3) (c) as if the screening, testing, and  
5 treatment under s. 49.791 is a request approved on the effective date of this  
6 subsection.

7           END INSERT NONSTATS

8           INSERT ~~32-14~~ EFF DATE

9           **SECTION 13. Effective dates.** This act takes effect on the day after publication,  
10 except as follows:

11           (1) WISCONSIN HEALTHCARE STABILITY PLAN. The treatment of s. 601.85 (4) takes  
12 effect on December 31, 2018.

13           END INSERT ~~32-14~~ EFF DATE

1           **SECTION 103. Fiscal changes.**

2           ~~X~~ (1) **SETTLEMENT FUNDS.** Notwithstanding s. 20.001 (3) (c), from the  
3           appropriation account under s. 20.455 (3) (g), on the effective date of this subsection,  
4           there is lapsed to the general fund the unencumbered balance of any settlement  
5           funds in that appropriation account, as determined by the attorney general.

6           ~~X~~ (2) **OFFICE OF SOLICITOR GENERAL POSITIONS.** In the schedule under s. 20.005 (3)  
7           for the appropriation to the department of justice under s. 20.455 (1) (gh), the dollar  
8           amount for fiscal year 2018-19 is decreased by \$320,000 to decrease the authorized  
9           FTE positions for the department by 1.0 PR solicitor general position and 3.0 PR  
10          deputy solicitor general positions on January 1, 2019.

11           **SECTION 104. Initial applicability.**

12          ~~X~~ (1) **AGENCY PUBLICATIONS.** The treatment of s. 227.05 with respect to printed  
13          publications first applies to guidance documents, forms, pamphlets, or other  
14          informational materials that are printed 60 days after the effective date of this  
15          subsection.

16          ~~X~~ (2) **GROUP INSURANCE BOARD.** The treatment of s. 15.07 (1) (b) 24. first applies  
17          to a member of the group insurance board who is appointed by the governor on the  
18          effective date of this subsection.

19          ~~X~~ (3) **STATEMENT OF SCOPE OF PROPOSED RULES.** The treatment of ss. 227.135 (3),  
20          227.185, and 227.24 (1) (e) 1d. and 1g., the renumbering and amendment of s.  
21          227.135 (2), and the creation of s. 227.135 (2) (a) 2. first apply to a proposed rule or  
22          emergency rule whose statement of scope is submitted to the legislative reference  
23          bureau for publication under s. 227.135 (3) on the effective date of this subsection.

✓  
1 X (4) FINAL DECISION OF AN AGENCY. The treatment of ss. 227.46 (1) (h), (2), (2m),  
2 (3) (a) and (8) and 227.47 (1) and (3) first applies to requests for hearings made on  
3 the effective date of this subsection.

4 **SECTION 105. Effective date.**

✓  
5 X (1) AGENCY PUBLICATIONS. The treatment of s. 227.05 takes effect on the first day  
6 of the 7th month beginning after publication.

7 X (2) DEPARTMENT OF JUSTICE GIFTS AND GRANTS. Notwithstanding s. 20.001 (2) (b),  
8 any moneys encumbered under the appropriation accounts under s. 20.455 (2) (gb)  
9 and (3) (g) before the effective date of this subsection may be expended pursuant to  
10 the terms of the encumbrance. ✓

11 (END)

FC

1 grant the petition upon a showing that the petitioner's interest meets the  
2 requirements of s. 803.09 (1) ~~or~~ (2), or (2m).

3 **SECTION 100.** Subchapter VIII (title) of chapter 893 [precedes 893.80] of the  
4 statutes is amended to read:

5 **CHAPTER 893**

6 **SUBCHAPTER VIII**

7 **CLAIMS AGAINST GOVERNMENTAL**  
8 **BODIES, OFFICERS AND EMPLOYEES;**

9 **ACTIONS ALLEGING A STATUTE IS**

10 **UNCONSTITUTIONAL OR**

11 **OTHERWISE INVALID**

12 **SECTION 101.** 893.825 of the statutes is created to read:

13 **893.825 Actions alleging a statute is unconstitutional or in violation of**  
14 **or preempted by federal law. (1)** In an action in which a statute is alleged to be  
15 unconstitutional, or to be in violation of or preempted by federal law, the attorney  
16 general shall be served with a copy of the proceeding and, except as provided in sub.  
17 (2), is entitled to represent the state and be heard.

18 **(2)** In an action in which a statute is alleged to be unconstitutional, or to be in  
19 violation of or preempted by federal law, the speaker of the assembly, the president  
20 of the senate, and the senate majority leader shall also be served with a copy of the  
21 proceeding and the assembly, the senate, and the joint committee on legislative  
22 organization are entitled to be heard.

23 **SECTION 102. Nonstatutory provisions.**

24 ~~X~~ **(1)** INTERVENTION BY ASSEMBLY, SENATE, AND JOINT COMMITTEE ON LEGISLATIVE  
25 ORGANIZATION. The assembly, senate, and joint committee on legislative organization

Nonstats.

1 may intervene as permitted under s. 803.09 (2m) in any litigation pending in state  
2 or federal court on the effective date of this subsection. If the joint committee on  
3 legislative organization intervenes and appoints special counsel to represent state  
4 defendants as set forth under s. 806.04 (11) or 893.825, the attorney general shall  
5 notify the court of the substitution of counsel by special counsel appointed by the joint  
6 committee on legislative organization to represent the state defendants and may not  
7 participate in the action.

8 ~~X~~ (2) WEDC; STAGGERING OF INITIAL TERMS. Notwithstanding the length of terms  
9 specified for the members of the board of directors of the Wisconsin Economic  
10 Development Corporation under s. 238.02 (1), the initial members appointed by the  
11 speaker and minority leader of the assembly and the majority leader and minority  
12 leader of the senate beginning on the effective date of this subsection shall be  
13 appointed for terms expiring as follows:

14 (a) The terms of 2 members appointed by the speaker of the assembly, the  
15 member appointed by the assembly minority leader, 2 members appointed by the  
16 senate majority leader, and the member appointed by the senate minority leader,  
17 shall expire on October 1, 2022.

18 (b) The terms of one member appointed by the speaker of the assembly and one  
19 member appointed by the senate majority leader shall expire on October 1, 2024.

20 ~~X~~ (3) WEDC; CURRENT BOARD MEMBERS. The members of the board of directors of  
21 the Wisconsin Economic Development Corporation serving at the pleasure of the  
22 speaker of the assembly and senate majority leader on the day before the effective  
23 date of this subsection shall continue to serve at pleasure pending the appointment  
24 of members under sub. (2), but may not serve after January 6, 2019, unless appointed  
25 under sub. (2).

**SECTION 24**

(a) "Local bridge" means a bridge that is not on the state trunk highway system or on marked routes of the state trunk highway system designated as connecting highways.

(b) "Local roads" means streets under the authority of cities or villages, county trunk highways, or town roads.

(c) "Political subdivision" means a county, city, village, or town.

(d) "Project" means the development, construction, repair, or improvement of a local road or a local bridge.

(2) If the department disburses aid to a political subdivision for a project, the department shall notify the political subdivision whether the aid includes federal moneys and which project components must be paid for with federal moneys, if any.

(3) For any project meeting all of the following criteria, the department may not require a political subdivision to comply with any portion of the department's facilities development manual other than design standards:

(a) The project proposal is reviewed and approved by a professional engineer or by the highway commissioner for the county in which the project will be located.

(b) The project is conducted by a political subdivision with no expenditure of federal money.

**SECTION 25.** 2017 Wisconsin Act 59, section 9145 (4w) is repealed.

*cf* **SECTION 26. Nonstatutory provisions.**

*Individual income tax rate.*  
(1) The secretary of administration shall exclude from the calculation under s. 16.518 (2) all additional revenue deposited in the general fund that is attributable to a decrease in individual income tax rates under s. 73.03 (71), as determined by the secretary of administration in consultation with the department of revenue.

**SECTION 27. Initial applicability.**

*Nonstats.*

✓  
1 (1) The treatment of ss. 71.05 (6) (a) 14. and (10) (dm), 71.07 (7) (c), 71.21 (6),  
2 71.36 (1), 71.365 (4m), and 71.775 (3) (a) 4., the renumbering and amendment of ss.  
3 71.07 (7) (b) and 71.365 (1), and the creation of ss. 71.07 (7) (b) 3. and 71.365 (1) (b)  
4 first apply to taxable years beginning on January 1, 2019, except that the treatment  
5 of ss. 71.05 (6) (a) 14. and (10) (dm), 71.07 (7) (c), 71.21 (6), 71.36 (1), 71.365 (4m), and  
6 71.775 (3) (a) 4., the renumbering and amendment of ss. 71.07 (7) (b) and 71.365 (1),  
7 and the creation of ss. 71.07 (7) (b) 3. and 71.365 (1) (b) first apply to taxable years  
8 beginning on January 1, 2018, for tax-option corporations.

✓  
9 (2) The treatment of ss. 84.54 and 86.51 first applies to projects let and aid  
10 disbursed on the effective date of this subsection.

11 **SECTION 28. Effective dates.** This act takes effect on the day after publication,  
12 except as follows:

✓  
13 (1) The treatment of ss. 20.395 (2) (fq), 84.54, and 86.51 and SECTIONS 25 and  
14 27 (2) of this act take effect on July 1, 2019.

15 (END)



**SECTION 228. Fiscal changes.**

(1) WORKFORCE DEVELOPMENT; WORKFORCE TRAINING APPROPRIATION DECREASE. In the schedule under s. 20.005 (3) for the appropriation to the department of workforce development under s. 20.445 (1) (b), the dollar amount for fiscal year 2018-19 is decreased by \$7,345,900.

(2) OFFICE OF SOLICITOR GENERAL POSITIONS. In the schedule under s. 20.005 (3) for the appropriation to the department of justice under s. 20.455 (1) (gh), the dollar amount for fiscal year 2018-19 is decreased by \$320,000 to decrease the authorized FTE positions for the department by 1.0 PR solicitor general position and 3.0 PR deputy solicitor general positions on January 1, 2019.

(3) SETTLEMENT FUNDS. Notwithstanding s. 20.001 (3) (c), from the appropriation account under s. 20.455 (3) (g), on the effective date of this subsection, there is lapsed to the general fund the unencumbered balance of any settlement funds in that appropriation account, as determined by the attorney general.

**SECTION 229. Initial applicability.**

(1) GROUP INSURANCE BOARD. The treatment of s. 15.07 (1) (b) 24. first applies to a member of the group insurance board who is appointed by the governor on the effective date of this subsection.

(2) ADMINISTRATOR OF THE DIVISION OF PERSONNEL MANAGEMENT IN THE DEPARTMENT OF ADMINISTRATION. The treatment of s. 15.103 (6m) first applies to an appointment of an administrator of the division of personnel management in the department of administration made on the effective date of this subsection.

(3) REQUIREMENTS FOR HIGHWAY PROJECTS. The treatment of ss. 84.54 and 86.51 first applies to projects let and aid disbursed on the effective date of this subsection.

the scope of the proposed rule (scope statement). A scope statement must be submitted to the Department of Administration for a determination as to whether the agency has the explicit authority to promulgate the rule as proposed in the scope statement. DOA must then report the statement and its determination to the governor who, in his or her discretion, may approve or reject the scope statement. Also under current law, after a proposed administrative rule, including an emergency rule, is in final draft form, the agency promulgating the proposed rule must submit the proposed rule to the governor, who may approve or reject the proposed rule. No agency may promulgate an administrative rule without the written approval of the governor.

In *Coyne v. Walker*, 2016 WI 38, the Wisconsin Supreme Court held that provisions requiring gubernatorial approval of scope statements and rules are unconstitutional as applied to the superintendent of public instruction.

Consistent with the result in *Coyne*, this bill exempts rules promulgated by the Department of Public Instruction from the requirements that a) a scope statement be submitted to DOA for a determination of authority and that the scope statement be approved by the governor and b) a proposed rule in final draft form be submitted to the governor and that the governor approve the rule in writing.

### 3.

123  
4

The bill a) requires committees appointed by agencies to provide advice with respect to rule making to submit a list of the members of the committee to JCRAR; b) makes various changes with respect to the required content and preparation of statements of scope and EIAs for rules, including mandating minimum comment periods for EIAs for rules; c) prohibits an agency from submitting a statement of scope for a proposed rule to the LRB for publication in the register more than 30 days after the date of the governor's approval of the statement of scope without the approval of the governor; and d) codifies current practice by allowing an agency that intends to concurrently promulgate an emergency rule and a permanent rule that are identical in substance to submit one statement of scope indicating this intent.

### 4.

This bill allows the legislature to request an independent retrospective economic impact analysis (EIA) for a rule.

Under current law, either cochairperson of the Joint Committee for Review of Administrative Rules may request an independent EIA for a proposed rule after an agency submits its EIA for that proposed rule. Such a request by the senate cochairperson of JCRAR requires approval by the Committee on Senate Organization, and a request by the assembly cochairperson requires approval by the Committee on Assembly Organization. Current law requires the requester to enter into a contract to perform the independent EIA, and requires the analysis to be completed within 60 days after entering into the contract. Under current law, an independent EIA is paid for by the agency if the independent EIA's cost estimate for the proposed rule varies by 15 percent or more from the agency's EIA, and is paid for by the legislature if the independent EIA's cost estimate for the proposed rule varies by less than 15 percent from the agency's EIA.

**2019-2020 DRAFTING INSERT**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

24  
LRB-6073P1insTD  
TJD:...

1        INSERT REL

2        **AN ACT ...; relating to:** federal government waivers and other requests for  
3        federal approval; public assistance programs; waivers from work search and  
4        registration requirements for certain unemployment insurance benefit  
5        claimants; granting rule-making authority; and making an appropriation.

6        END INSERT REL

7        INSERT ANALYSIS TJD

1. 41

This bill generally provides for legislative oversight of requests for federal approval. The bill prohibits a state, executive branch agency from submitting a request to a federal agency for a waiver or renewal, modification, withdrawal, suspension, or termination of a waiver of federal law or rules or for authorization to implement a pilot program or demonstration project unless legislation has been enacted specifically directing the submission of the request. For any legislation enacted on or after January 1, 2014, that requires submission of a request that has not yet been submitted, the bill requires the applicable state agency to submit an implementation plan to JCF containing an expected timeline with an expected submission date to the federal agency no later than 90 days after the state agency submits the implementation plan to JCF, for which JCF may grant up to three 90-day extensions under its passive review process, and submit its final proposed request to JCF for approval.

Once the request has been submitted to the federal agency, the bill requires the state agency to do all of the following: make biweekly contact with the federal agency to continue negotiations, submit monthly progress reports to JCF on negotiations with the federal agency including descriptions of any portions of the request that the federal agency stated will not be approved, make available on a quarterly basis a representative of the state agency for JCF briefings or hearings, and submit the proposed approval as negotiated with the federal agency to JCF for approval or disapproval before agreeing with the final federal approval. When the federal agency has approved the request in whole or in part and the request has not been fully implemented, the state agency must submit an implementation plan to JCF, submit its final implementation plan to JCF for approval, and make available on a quarterly basis a representative of the state agency for JCF briefings or hearings.

No later than nine months before the expiration of an approved waiver, pilot program, or demonstration project, the state agency must notify JCF of the expiration date and the state agency's intent regarding renewal. If the state agency intends to renew the waiver, program, or project without substantive changes to it,

the state agency is not required to comply with all of the procedures specified in the bill for renewal and instead may submit the proposed renewal request for review by JCF under its passive review process.

The chairpersons of JCF may delegate some of the committee's responsibilities under the bill to a legislative standing committee of appropriate subject matter jurisdiction under terms specified by the chairpersons. If JCF determines that the state agency has not made sufficient progress or is not acting in accordance with the enacted legislation requiring the submission of the request, JCF may reduce the agency's appropriation or expenditure authority or change the authorized level of full-time equivalent positions for the agency related to the program for which the request is required to be submitted.

2. 42 DHS

This bill requires by statute the Department of Health Services to implement the BadgerCare Reform waiver as it relates to childless adults as approved by the federal Department of Health and Human Services effective October 31, 2018. The 2015-17 and 2017-19 biennial budget acts required DHS to submit a waiver request to the federal DHHS authorizing DHS to take certain actions including imposing premiums on, requiring a health risk assessment of, and time-limiting eligibility for recipients of BadgerCare Plus under the childless adults demonstration project waiver. Effective October 31, 2018, the federal DHHS approved the BadgerCare Reform waiver amendment and extension with some modifications from the request. The bill incorporates certain provisions of the federal approval into the statutes.

Under the bill, DHS must require childless adults demonstration project recipients who are at least 19 years of age but have not attained the age of 50 to participate in, document, and report 80 hours per calendar month of community engagement activities, unless they are exempt or have a temporary exemption for good cause. Qualifying community engagement activities are specified in the bill and include working for money, goods, or services, or as a volunteer, and participating in a program such as the FoodShare employment and training program or Wisconsin Works. DHS must require a recipient, as a condition of eligibility, to complete a health risk assessment and, if the recipient's household income exceeds 50 percent of the federal poverty line, pay a monthly premium of \$8 per household with some limited exceptions. The household premium is reduced if a recipient reports on the health risk assessment that he or she is not engaging in certain behaviors that increase health risks or is actively managing certain unhealthy behaviors. DHS must disenroll a recipient for six months if the recipient does not pay the required premium or, if the recipient is not exempt, does not participate for 48 aggregate months in the community engagement activity.

DHS must charge recipients an \$8 copayment for nonemergency use of the emergency department and must comply with other requirements imposed by the federal DHHS in its waiver approval effective October 31, 2018. The requirements in the bill must end no sooner than December 31, 2023, and the bill prohibits withdrawal of the requirements and DHS from requesting withdrawal, suspension, or termination of the childless adults demonstration project requirements before

that date unless the legislation has been enacted specifically allowing for withdrawal, suspension, or termination.

3. 43

This bill incorporates the provisions of chapter DHS 38 of the Wisconsin Administrative Code into the statutes. 2015 Wisconsin Act 55, the biennial budget act for the 2015-16 legislative session, required DHS to promulgate rules to develop and implement a screening, testing, and treatment policy and then to screen and test for illegal use of a controlled substance and treat for substance abuse able-bodied adults who seek to participate in the FoodShare program's employment and training program known as FSET. DHS promulgated chapter DHS 38, Wis. Adm. Code, regarding substance abuse screening, testing, and treatment for certain department employment and training programs. The bill incorporates the specifications and requirements of that DHS rule into the statutes, requires implementation of the screening, testing, and treatment by October 1, 2019, and requires DHS to follow requirements in this bill as if the screening, testing, and treatment is an approved waiver. In summary, the provisions of the rule and the bill require an agency that is administering FSET to require able-bodied adults who are subject to a work requirement to participate in FoodShare and who seek to participate in FSET to fulfill that work requirement to undergo screening for use of a controlled substance without a prescription, testing for use of a controlled substance in certain circumstances, and treatment, if applicable, for use of the controlled substance in order to be eligible to participate in FSET.

4. 44

2017 Wisconsin Act 138 required the commissioner of insurance to administer a state-based reinsurance program, the Wisconsin Healthcare Stability Plan (known as WIHSP), and allowed the commissioner to request a waiver under federal law to implement the plan. Under current law, WIHSP makes a reinsurance payment to a health insurance carrier if the claims for an individual who is enrolled in a health benefit plan with that carrier exceed a threshold amount in a benefit year. The federal DHHS approved the commissioner's waiver request under specific terms and conditions dated July 29, 2018. The bill requires the commissioner to administer WIHSP in accordance with those specific terms and conditions. The bill prohibits the commissioner from requesting modification, suspension, withdrawal, or termination of the waiver unless legislation has been enacted directing the modification, suspension, withdrawal, or termination. The bill requires the commissioner to complete and submit any reports, provide any information, and participate in any oversight activities required by the federal DHHS to implement and maintain WIHSP. The bill sets the payment parameters for WIHSP as specified by the federal approval for the 2019 benefit year and prohibits the commissioner from changing those payment parameters for the 2019 benefit year.

5. 45

This bill prohibits DHS from submitting an amendment to the state's Medical Assistance plan or implementing a change to the reimbursement rate for or making a supplemental payment to a provider under the Medical Assistance program without first submitting the proposed state plan amendment, rate change, or

payment to JCF. If the state plan amendment, rate change, or payment has an expected fiscal effect of less than \$1,000,000 from all revenue sources over a 12-month period following the implementation date of the amendment, rate change, or payment, then the proposed state plan amendment, rate change, or payment is reviewed under JCF's 14-day, passive review process. If the expected fiscal effect is \$1,000,000 or more from all revenue sources over the 12-month period, DHS may submit the proposed state plan amendment, implement the rate change, or make the payment only upon approval by JCF. DHS is not required, however, to submit a proposed rate change or supplemental payment to JCF under the bill if explicit expenditure authority or funding for the specific change or supplemental payment is included in enacted legislation.

1       INSERT ANALYSIS TJD

2       INSERT

3       **SECTION 1.** 20.940 of the statutes is created to read:

4       **20.940 Legislative authorization and oversight of requests to federal**  
5 **government.** (1) **DEFINITION.** In this section, "state agency" means any office,  
6 department, or independent agency in the executive branch of state government,  
7 other than the Board of Regents of the University of Wisconsin System.

8       (2) **LEGISLATIVE AUTHORIZATION REQUIRED.** A state agency may not submit a  
9 request to a federal agency for a waiver or a renewal, modification, withdrawal,  
10 suspension, or termination of a waiver of federal law or rules or for authorization to  
11 implement a pilot program or demonstration project unless legislation has been  
12 enacted specifically directing the submission of the request for a waiver, renewal,  
13 modification, withdrawal, suspension, termination, or authorization.

14       (3) **LEGISLATIVE OVERSIGHT OF REQUESTS TO FEDERAL AGENCIES.** If submission to  
15 a federal agency of a request for a waiver or renewal, modification, withdrawal,  
16 suspension, or termination of a waiver of federal law or rules or for authorization to  
17 implement a pilot program or demonstration project is required in legislation  
18 enacted on or after January 1, 2011, the state agency that is required to submit the  
19 request shall do all of the following that apply:

1 (a) When the request has not been submitted to the applicable federal agency,  
2 do all of the following:

3 1. Beginning 60 days after the enactment of the legislation requiring the  
4 request or March 1, 2019, whichever is later, submit to the joint committee on finance  
5 an implementation plan describing the state agency's plan for submitting the  
6 request including an expected timeline for submitting the request in which the  
7 submission date is no later than 90 days after submission of the implementation plan  
8 under this subdivision. If the state agency is unable to submit the request by the date  
9 specified in the implementation plan, the state agency may request from the joint  
10 committee on finance an extension not to exceed 90 days in a written submission that  
11 includes a report on the progress toward submission of the request and the reason  
12 an extension is needed. If the cochairpersons of the joint committee on finance do not  
13 notify the state agency within 14 working days after the date of the request for an  
14 extension under this subdivision that the committee has scheduled a meeting for the  
15 purpose of reviewing the extension request, the extension is considered granted. If,  
16 within 14 working days after the date of the request for an extension under this  
17 subdivision, the cochairpersons of the committee notify the state agency that the  
18 committee has scheduled a meeting for the purpose of reviewing the extension  
19 request, the state agency may consider the extension granted only upon approval by  
20 the committee. No more than 3 90-day extensions may be granted under this  
21 subdivision.

22 2. When the state agency has finalized its proposed request before submitting  
23 the request to the federal agency, submit the proposed request to the joint committee  
24 on finance for approval by the committee. The state agency may submit the proposed

1 request to the appropriate federal agency only upon approval by the committee. The  
2 procedures under s. 13.10 do not apply to this subdivision.

3 (b) When the request has been submitted to the applicable federal agency but  
4 has not been denied or approved by that federal agency, do all of the following:

5 1. Contact no less frequently than biweekly the federal agency considering the  
6 request to continue negotiations in furtherance of approval of the request.

7 2. Beginning 30 days after the date of submission of the request to the federal  
8 agency or March 1, 2019, whichever is later, and monthly thereafter, submit to the  
9 joint committee on finance a progress report on negotiations with the federal agency  
10 toward approval of the request. The state agency shall request from the federal  
11 agency a description in writing of any portions of the request that the federal agency  
12 has stated will not be approved and reasons for not approving. The state agency shall  
13 include in its monthly report under this subdivision any written description from the  
14 federal agency regarding any portion of the request that the federal agency has  
15 stated will not be approved.

16 3. Beginning 90 days after the date of submission of the request to the federal  
17 agency, or March 1, 2019, whichever is later, and quarterly thereafter, make  
18 available to the joint committee on finance a representative of the state agency to  
19 brief the committee or provide testimony at a committee hearing at the committee's  
20 request. The state agency shall ensure that at least one representative of the state  
21 agency appearing in person before the committee has sufficient personal knowledge  
22 of the negotiations and progress toward approval of the request to respond to  
23 inquiries and requests for information by the committee.

24 4. Before final approval of the request by the federal agency, submit the  
25 proposed approval as negotiated with the federal agency to the joint committee on



1 finance for approval or disapproval. The joint committee on finance may approve or  
2 disapprove but may not modify the proposed approval as negotiated with the federal  
3 agency. The state agency may agree to final approval of the request only upon  
4 approval by the joint committee on finance. If the joint committee on finance  
5 disapproves, the state agency shall withdraw the request or renegotiate the request  
6 with the federal agency and resubmit the proposed approval as renegotiated to the  
7 joint committee on finance for approval or disapproval. The procedures under s.  
8 13.10 do not apply to this subdivision.

9 (c) When the request has been approved in whole or in part by the applicable  
10 federal agency but has not been fully implemented by the applicable state agency, do  
11 all of the following:

12 1. Beginning 60 days after the date of approval of any portion of the request by  
13 the applicable federal agency, or March 1, 2019, whichever is later, submit to the joint  
14 committee on finance an implementation plan for the approved portions of the  
15 request including the expected timeline for final implementation of the request in  
16 accordance with the federal agency's approval. When the state agency submits an  
17 implementation plan that it considers its final implementation plan, the state  
18 agency may not implement the approved portions of the request until the joint  
19 committee on finance approves the final implementation plan. The procedures  
20 under s. 13.10 do not apply to this subdivision.

21 2. Beginning 30 days after the date of submission of the implementation plan  
22 and monthly thereafter, submit to the joint committee on finance a progress report  
23 on implementation of the approved portions of the request.

24 3. Beginning 90 days after the date of approval of any portion of the request by  
25 the federal agency, or March 1, 2019, whichever is later, and quarterly thereafter,

1 make available to the joint committee on finance a representative of the state agency  
2 to brief the committee or provide testimony at a committee hearing at the  
3 committee's request. The state agency shall ensure that at least one representative  
4 of the state agency appearing in person before the committee has sufficient personal  
5 knowledge of the negotiations and progress toward implementation of the approval  
6 of the request to respond to inquiries and requests for information by the committee.

7 (4) REQUESTS FOR RENEWAL. No later than 9 months before the expiration of an  
8 approved waiver of federal law, pilot program, or demonstration project for which no  
9 legislation has been enacted specifying that the waiver, program, or project must be  
10 suspended or terminated, the state agency shall submit a written notice to the joint  
11 committee on finance of the expiration date and the state agency's intent regarding  
12 renewal. If the state agency intends to request substantive changes to the waiver,  
13 program, or project in its request to the federal agency, the state agency shall comply  
14 with the procedures under sub. (3). If the state agency intends to renew the waiver,  
15 program, or project without substantive changes, notwithstanding sub. (3) and  
16 before submitting the renewal request to the federal agency, the state agency shall  
17 submit a proposed renewal request to the joint committee on finance. If the  
18 cochairpersons of the joint committee on finance do not notify the state agency within  
19 14 working days after the date of the submittal of the proposed renewal request  
20 under this subsection that the committee has scheduled a meeting for the purpose  
21 of reviewing the proposed renewal request, the state agency may submit the  
22 proposed renewal request. If, within 14 working days after the date of the submittal  
23 of the proposed renewal request under this subsection, the cochairpersons of the  
24 committee notify the state agency that the committee has scheduled a meeting for  
25 the purpose of reviewing the proposed renewal request, the state agency may submit

1 the proposed renewal request only upon approval by the committee. After reviewing  
2 the proposed renewal request and determining any changes requested are  
3 substantive, the cochairpersons of the joint committee on finance may require the  
4 state agency to comply with any of the procedures under sub. (3). The procedures  
5 under s. 13.10 do not apply to this subsection.

6 (5) DELEGATION TO STANDING COMMITTEE. The cochairpersons of the joint  
7 committee on finance may delegate to a standing committee of the legislature of  
8 appropriate subject matter jurisdiction any of the responsibilities of the joint  
9 committee on finance under sub. (3). The cochairpersons shall specify the terms of  
10 a delegation under this subsection and shall determine what constitutes an approval  
11 under a delegation under this subsection.

12 (6) FUNDING OR POSITION REDUCTION FOR NONCOMPLIANCE. If the joint committee  
13 on finance determines that the applicable state agency has not made sufficient  
14 progress in submitting the request, negotiating with the federal agency, or  
15 implementing an approved portion of a request or is not acting in accordance with  
16 the enacted legislation requiring the submission of the request, the joint committee  
17 on finance may reduce the state agency's appropriation or expenditure authority,  
18 whichever is applicable, or change the authorized level of full-time equivalent  
19 positions for the state agency related to the program for which the request is required  
20 to be submitted. The procedures under s. 13.10 do not apply to this subsection.

21 END INSERT

22 INSERT

23 **SECTION 2.** 49.45 (2t) of the statutes is created to read:

24 49.45 (2t) SUBMISSION OF STATE PLAN AMENDMENTS AND PROVIDER PAYMENTS. (a)

25 The department may not submit a Medical Assistance state plan amendment to the

1 federal department of health and human services or implement a change to the  
2 reimbursement rate for or make a supplemental payment to a provider under the  
3 Medical Assistance program under this subchapter when the amendment, rate  
4 change, or payment has an expected fiscal effect of less than \$1,000,000 from all  
5 revenue sources over a 12-month period following the implementation date of the  
6 amendment, rate change, or payment without submitting the proposed state plan  
7 amendment, rate change, or payment to the joint committee on finance for review.  
8 If the cochairpersons of the joint committee on finance do not notify the department  
9 within 14 working days after the date of the submittal under this paragraph that the  
10 committee has scheduled a meeting for the purpose of reviewing the proposed state  
11 plan amendment, rate change, or payment, the department may submit the state  
12 plan amendment, implement the rate change, or make the payment. If, within 14  
13 working days after the date of the submittal under this paragraph by the  
14 department, the cochairpersons of the committee notify the department that the  
15 committee has scheduled a meeting for the purpose of reviewing the proposed state  
16 plan amendment, rate change, or payment, the department may submit the state  
17 plan amendment, implement the rate change, or make the payment only upon  
18 approval by the committee.

19 (b) The department may not submit a Medical Assistance state plan  
20 amendment to the federal department of health and human services or implement  
21 a change to the reimbursement rate for or make a supplemental payment to a  
22 provider under the Medical Assistance program under this subchapter when the  
23 amendment, rate change, or payment has an expected fiscal effect of \$1,000,000 or  
24 more from all revenue sources over a 12-month period following the implementation  
25 date of the amendment, rate change, or payment without submitting the proposed

1 state plan amendment, rate change, or payment to the joint committee on finance for  
2 review. The department may submit the proposed state plan amendment,  
3 implement the rate change, or make the payment only upon approval by the  
4 committee of the proposed state plan amendment, rate change, or payment  
5 submitted under this paragraph.

6 (c) Notwithstanding pars. (a) and (b), the department is not required to submit  
7 a proposed change to a reimbursement rate for or supplemental payment to a  
8 provider under the Medical Assistance program under this subchapter to the joint  
9 committee on finance under par. (a) or (b) if explicit expenditure authority or funding  
10 for the specific change or supplemental payment is included in enacted legislation.

11 **SECTION 3.** 49.45 (23b) of the statutes is created to read:

12 **49.45 (23b)** CHILDLESS ADULTS DEMONSTRATION PROJECT REFORM WAIVER  
13 IMPLEMENTATION REQUIRED. (a) In this subsection:

14 1. "Community engagement activity" includes any of the following:

15 a. Work in exchange for money, goods, or services.

16 b. Unpaid work, such as volunteer work or community service.

17 c. Self-employment.

18 d. Participation in a work, job training, or job search program, as approved by  
19 the department, including the employment and training program under s. 49.79 (9),  
20 the Wisconsin Works program under ss. 49.141 to 49.161, programs under the federal  
21 workforce innovation and opportunity act, and tribal work programs.

22 2. "Exempt individual" means an individual who is any of the following:

23 a. Receiving temporary or permanent disability benefits from the federal or  
24 state government or a private source.

25 b. Determined by the department to be physically or mentally unable to work.

1 c. Verified as unable to work in a statement from a social worker or other health  
2 care professional.

3 d. Experiencing chronic homelessness.

4 e. Serving as primary caregiver for a person who cannot care for himself or  
5 herself.

6 f. Receiving or applying for unemployment compensation and complying with  
7 the work requirements for unemployment compensation.

8 g. Participating regularly in an alcohol or other drug abuse treatment or  
9 rehabilitation program, except for alcoholics anonymous or narcotics anonymous but  
10 including cultural interventions specific to American Indian tribes or bands.

11 h. Attending high school at least half time or enrolled in an institution of higher  
12 education, including vocational programs or high school equivalency programs, at  
13 least half time.

14 i. Exempt from work requirements under the food stamp program under s.  
15 49.79.

16 (b) Beginning as soon as practicable after October 31, 2018, and ending no  
17 sooner than December 31, 2023, the department shall do all of the following with  
18 regard to the childless adults demonstration project under sub. (23):

19 1. Require in each month persons, except exempt individuals, who are eligible  
20 to receive Medical Assistance under sub. (23) and who are at least 19 years of age but  
21 have not attained the age of 50 to participate in, document, and report 80 hours per  
22 calendar month of community engagement activities. The department, after finding  
23 good cause, may grant a temporary exemption from the requirement under this  
24 subdivision upon request of a Medical Assistance recipient.

1           2. Require persons with incomes of at least 50 percent of the poverty line to pay  
2 premiums in accordance with par. (c) as a condition of eligibility for Medical  
3 Assistance under sub. (23).

4           3. Require as a condition of eligibility for Medical Assistance under sub. (23)  
5 completion of a health risk assessment.

6           4. Charge recipients of Medical Assistance under sub. (23) an \$8 copayment for  
7 nonemergency use of the emergency department in accordance with 42 USC 1396o-1  
8 (e) (1) and 42 CFR 447.54.

9           5. Disenroll from Medical Assistance under sub. (23) for 6 months any  
10 individual who does not pay a required premium under subd. 2. and any individual  
11 who is required under subd. 1. to participate in a community engagement activity but  
12 who does not participate for 48 aggregate months in the community engagement  
13 activity.

14           (c) 1. Persons who are eligible for the demonstration project under sub. (23) and  
15 who have monthly household income that exceeds 50 percent of the poverty line shall  
16 pay a monthly premium amount of \$8 per household. A person who is eligible to  
17 receive an item or service furnished by an Indian health care provider is exempt from  
18 the premium requirement under this subdivision.

19           2. The department may disenroll under par. (b) 5. a person for nonpayment of  
20 a required monthly premium only at annual eligibility redetermination after  
21 providing notice and reasonable opportunity for the person to pay. If a person who  
22 is disenrolled for nonpayment of premiums pays all owed premiums or becomes  
23 exempt from payment of premiums, he or she may reenroll in Medical Assistance  
24 under sub. (23).

1           3. The department shall reduce the amount of the required household premium  
2 by up to half for a recipient of Medical Assistance under sub. (23) who does not engage  
3 in certain behaviors that increase health risks or who attests to actively managing  
4 certain unhealthy behaviors.

5           (d) The department shall comply with any other requirements not specified  
6 elsewhere in this subsection that are imposed by the federal department of health  
7 and human services in its approval effective October 31, 2018.

8           (e) Before December 31, 2023, the demonstration project requirements under  
9 this subsection may not be withdrawn and the department may not request from the  
10 federal government withdrawal, suspension, or termination of the demonstration  
11 project requirements under this subsection unless legislation has been enacted  
12 specifically allowing for the withdrawal, suspension, or termination.

13           (f) The department shall comply with all applicable timing in and requirements  
14 of s. 20.940.

15           **SECTION 4.** 49.79 (9) (d) 1. of the statutes is repealed.

16           **SECTION 5.** 49.79 (9) (d) 2. of the statutes is renumbered 49.79 (9) (d) and  
17 amended to read:

18           49.79 (9) (d) Subject to the promulgation of rules under subd. 1. s. 49.791, the  
19 department shall screen and, if indicated, test and treat participants in an  
20 employment and training program under this subsection who are able-bodied adults  
21 for illegal use of a controlled substance without a valid prescription for the controlled  
22 substance. Eligibility for an able-bodied adult to participate in an employment and  
23 training program under this subsection is subject to s. 49.791.

24           **SECTION 6.** 49.791 of the statutes is created to read:



**49.791 Substance abuse screening, testing, and treatment for employment and training programs. (1) DEFINITIONS.** In this section:

(a) "Able-bodied adult" has the meaning given in s. 49.79 (1) (am).

(b) "Administering agency" means an administrative agency within the executive branch under ch. 15 or an entity that contracts with the state such as a single county consortia under s. 49.78 (1r), a multicounty consortia under s. 49.78 (1) (br), or a tribal governing body under s. 49.78 (1) (cr).

(c) "Confirmation test" means an analytical procedure used to quantify a specific controlled substance or its metabolite in a specimen through a test that is different in scientific principle from that of the initial test procedure and capable of providing the requisite specificity, sensitivity, and quantitative accuracy to positively confirm use of a controlled substance.

(d) "Controlled substance" has the meaning given in s. 49.79 (1) (b).

(e) "Employment and training program" means the food stamp employment and training program under s. 49.79 (9).

(f) "Food stamp program" has the meaning given in s. 49.79 (1) (c).

(g) "Medical review officer" means a licensed medical provider who is employed by or providing services under a contract to a qualified drug testing vendor, has knowledge of substance abuse disorders and laboratory testing procedures, and has the necessary training and experience to interpret and evaluate an individual's positive test result in relation to the individual's medical history and valid prescriptions.

(h) "Metabolite" means a chemical present in the body when a controlled substance is being broken down through natural metabolic processes that can be

1 detected or measured as a positive indicator that a controlled substance associated  
2 with the metabolite has been used.

3 (i) "Prescription" means a current order for a controlled substance that  
4 indicates the specific regimen and duration of the order and that is transmitted  
5 electronically or in writing by an individual authorized in this state to order the  
6 controlled substance.

7 (j) "Qualified drug testing vendor" means a laboratory certified by the federal  
8 centers for medical and medicaid services under the federal Clinical Laboratory  
9 Improvement Amendments of 1988 to collect a specimen, carry out laboratory  
10 analysis of the specimen, store the specimen for a confirmation test if required,  
11 complete a confirmation test, and provide review by a medical review officer.

12 (k) "Screening" means completing a questionnaire specified by the department  
13 regarding an individual's current and prior use of any controlled substance.

14 (L) "Specimen" means tissue, fluid, or any other product of the human body  
15 required to be submitted by an individual for testing under this section.

16 (m) "Trauma-informed" means operating under the understanding of the  
17 science of adverse childhood experiences, toxic stress, trauma, and resilience,  
18 incorporating that understanding into organizational culture, policies, programs,  
19 and practices, and adhering to trauma-informed principles such as safety,  
20 trustworthiness and transparency, peer support, collaboration and mutuality,  
21 empowerment, and cultural, historical, and gender issue recognition.

22 (n) "Treatment" means any service that is conducted under clinical supervision  
23 to assist an individual through the process of recovery from controlled substance  
24 abuse, including screening, application of approved placement criteria, intake,  
25 orientation, assessment, individualized treatment planning, intervention,

1 individual or group and family counseling, referral, discharge planning, after care  
2 or continuing care, record keeping, consultation with other professionals regarding  
3 treatment services, recovery and case management, crisis intervention, education,  
4 employment, and problem resolution in life skills functioning.

5 (o) "Treatment program" means a program certified by the department to  
6 provide treatment for controlled substance abuse as a medically managed inpatient  
7 service, a medically monitored treatment service, a day treatment service, an  
8 outpatient treatment service, a transitional residential treatment service, or a  
9 narcotic treatment service for opiate addiction or, as approved by the department,  
10 psychosocial rehabilitation services.

11 (p) "Treatment provider" means a provider of treatment for controlled  
12 substance abuse certified by the department, a provider certified under s. 440.88, or  
13 a licensed professional who meets criteria established by the department of safety  
14 and professional services.

15 (2) NOTICE OF REQUIREMENT. An administering agency shall provide  
16 information in a format approved by the department to any individual who expresses  
17 interest in or is referred to participate in an employment and training program to  
18 explain the requirement for participants in certain employment and training  
19 programs to undergo screening, testing, and treatment for abuse of controlled  
20 substances.

21 (3) ADMINISTERING AND EVALUATING A CONTROLLED SUBSTANCE ABUSE SCREENING  
22 QUESTIONNAIRE. (a) At the time of application and at annual redetermination for  
23 eligibility in the food stamp program, an administering agency shall administer to  
24 any able-bodied adult who is subject to the work requirement under s. 49.79 (10) (a)  
25 and intends on meeting the work requirement through participation in the

1 employment and training program a controlled substance abuse screening  
2 questionnaire approved by the department, which may include questions related to  
3 controlled substance abuse-related criminal background and controlled substance  
4 abuse. The administering agency shall determine whether answers to the controlled  
5 substance abuse screening questionnaire indicate possible use of a controlled  
6 substance without a valid prescription by the able-bodied adult.

7 (b) 1. An able-bodied adult who is administered a controlled substance abuse  
8 screening questionnaire under par. (a) shall answer all questions on the screening  
9 questionnaire, sign and date the questionnaire, and submit the questionnaire to the  
10 administering agency.

11 2. If the able-bodied adult indicates on the screening questionnaire submitted  
12 under subd. 1. the prescribed use of a controlled substance, the able-bodied adult  
13 shall provide evidence of the valid prescription to the administering agency.

14 (c) An able-bodied adult who is administered a controlled substance abuse  
15 screening questionnaire under par. (a) and who fails to comply with the requirements  
16 under par. (b) is not eligible to participate in the employment and training program,  
17 and the administering agency may not refer the individual to participate in the  
18 employment and training program. An able-bodied adult who is denied eligibility  
19 for participation in the employment and training program for failure to complete the  
20 requirements under par. (b) may complete the requirements under par. (b) at any  
21 time while eligible for the food stamp program.

22 (d) An able-bodied adult who completes a controlled substance abuse screening  
23 questionnaire under this subsection and whose answers to the screening  
24 questionnaire do not indicate possible abuse of a controlled substance has satisfied

1 the requirements of this section and may participate in an employment and training  
2 program subject to this section.

3 (4) TESTING FOR USE OF A CONTROLLED SUBSTANCE REQUIRED. (a) *Individuals*  
4 *required to undergo testing; exception.* 1. Except as provided in subd. 2., an  
5 administering agency shall require an able-bodied adult whose answers on the  
6 controlled substance abuse screening questionnaire submitted under sub. (3)  
7 indicate possible use of a controlled substance without a prescription to undergo a  
8 test for the use of a controlled substance.

9 2. An administering agency may not require an able-bodied adult whose  
10 answers on the controlled substance abuse screening questionnaire submitted under  
11 sub. (3) indicate possible use of a controlled substance and who also indicates  
12 readiness to enter treatment for controlled substance abuse to undergo a test for the  
13 use of a controlled substance.

14 (b) *Nature of testing required.* A test for use of a controlled substance under  
15 this subsection consists of laboratory analysis of a specimen collected from an  
16 able-bodied adult described in par. (a) in a manner specified by the department that  
17 is consistent with guidelines from the federal department of health and human  
18 services by a qualified drug testing vendor or a provider approved by the department.  
19 The qualified drug testing vendor or other provider shall analyze the specimen for  
20 the presence of controlled substances specified by the department.

21 (c) *Contracts for testing services.* 1. The administering agency, subject to the  
22 department's approval, may contract with a trauma-informed qualified drug testing  
23 vendor to collect a specimen, carry out laboratory analysis of the specimen, store the  
24 specimen for confirmatory testing if required, complete confirmatory testing, provide

1 review by a medical review officer, and document and report test results to the  
2 administering agency.

3 2. The department may require administering agencies to use a specific drug  
4 testing service procured through state contracting if the department determines that  
5 volume discounts or other preferential pricing terms may be achieved through a  
6 statewide contract.

7 (d) *Effects of refusal to submit to drug test.* 1. An able-bodied adult who is  
8 required to undergo a test for the use of a controlled substance under par. (a) but who  
9 refuses to submit to a drug test by doing any of the following is ineligible to  
10 participate in the employment and training program until the individual agrees to  
11 be tested for use of a controlled substance and test results have been reported:

12 a. Failing or refusing to appear for a scheduled drug test without good cause.

13 b. Failing or refusing to complete a form or release of information required for  
14 testing, including any form or release required by the qualified drug testing vendor  
15 to permit the vendor to report test results to the administering agency or  
16 department.

17 c. Failing or refusing to provide a valid specimen for testing.

18 d. Failing or refusing to provide verification of identity to the testing vendor.

19 2. The administering agency may direct an able-bodied adult who initially  
20 refused to submit to a drug test under subd. 1. and subsequently agrees to submit  
21 to a test to undergo drug testing on a random basis at any time within 10 business  
22 days after the able-bodied adult agrees to submit to a test.

23 (e) *Confirmation test required.* If an able-bodied adult tests positive for the use  
24 of a controlled substance, the qualified drug testing vendor shall perform a  
25 confirmation test using the same specimen obtained for the initial drug test. The

1 vendor's medical review officer who is responsible for determining the presence of a  
2 controlled substance under par. (b) shall interpret all drug test results that are not  
3 negative.

4 (f) *Accepting test results from other programs.* For purposes of this section, an  
5 administering agency may use results of a drug test performed by the administering  
6 agency for the purpose of eligibility for another state program, including a work  
7 experience program under s. 49.162, 49.36, or 108.133, performed at the request of  
8 the department of corrections, or performed by other drug testing providers as  
9 approved by the department to determine whether to refer an able-bodied adult to  
10 treatment if all of the following apply:

- 11 1. The test results are provided directly to the administering agency.
- 12 2. The test results include tests for all controlled substances required by the  
13 department to be tested under this section.
- 14 3. The test occurred within 90 days before the results are provided to the  
15 administering agency.

16 (g) *Effect of a negative test.* An able-bodied adult who undergoes a test for use  
17 of a controlled substance under this subsection and tests negative for use of a  
18 controlled substance or who tests positive for use of a controlled substance but  
19 provides to the administering agency a prescription for each controlled substance for  
20 which the adult tests positive is not prohibited from participating in an employment  
21 and training program.

22 (h) *Effect of a positive test.* An able-bodied adult who undergoes a test for use  
23 of a controlled substance under this subsection, whose test results are positive, and  
24 who does not provide evidence of a prescription for the controlled substance, as  
25 determined by the qualified drug testing vendor's medical review officer, is required

1 to participate in treatment under sub. (5) to participate in an employment and  
2 training program.

3 (5) PARTICIPATION IN TREATMENT REQUIRED. (a) *Individuals required to*  
4 *participate in treatment.* An able-bodied adult who is described under sub. (4) (a)  
5 or (h) is required to participate in trauma-informed treatment to be eligible to  
6 participate in an employment and training program.

7 (b) *Referral for treatment; monitoring.* The applicable administering agency  
8 shall provide to every able-bodied adult who is required to participate in treatment  
9 under par. (a) information about treatment programs and county-specific  
10 assessment and enrollment activities required for entry into treatment. The  
11 applicable administering agency shall monitor the able-bodied adult's progress in  
12 entering and completing treatment and the results of random testing for the use of  
13 a controlled substance carried out during and at the conclusion of treatment.

14 (c) *Evaluation and assessment.* A treatment provider shall conduct a  
15 trauma-informed substance abuse evaluation and assessment of each able-bodied  
16 adult and take any of the following actions, as appropriate, based on the evaluation  
17 and assessment:

18 1. If the treatment provider determines the able-bodied adult does not need  
19 treatment, notify the administering agency that the able-bodied adult does not need  
20 treatment.

21 2. If the treatment provider determines the able-bodied adult is in need of  
22 treatment, refer the individual to an appropriate treatment program to begin  
23 treatment and notify the administering agency of the referral and the expected start  
24 date and duration of treatment.



1           3. If a treatment provider determines the able-bodied adult is in need of  
2 treatment but is unable to refer the adult because there is a waiting list for  
3 enrollment, enter the able-bodied adult on the waiting list and notify the  
4 administering agency of the date the adult is expected to be enrolled.

5           (d) *Eligibility when treatment not needed or on waiting list.* 1. An able-bodied  
6 adult described in par. (c) 1. is determined to have satisfied the requirements of this  
7 section and is eligible under this section to participate in an employment and  
8 training program.

9           2. An able-bodied adult who is on a waiting list for enrollment in an  
10 appropriate treatment program under par. (c) 3. shall continue to take all necessary  
11 steps to continue seeking enrollment in the appropriate treatment program. The  
12 able-bodied adult is eligible under this section to participate in an employment and  
13 training program while on the waiting list if the adult is not eligible for immediate  
14 enrollment in another appropriate treatment program.

15           (e) *Satisfying treatment requirement through another program.* An  
16 administering agency shall accept as satisfying the requirements of this subsection  
17 participation in any treatment program. The able-bodied adult satisfying the  
18 requirements of this subsection by participating in another treatment program shall  
19 execute a release of information to allow the administering agency to obtain  
20 verification of successful participation in that treatment program.

21           (f) *Effects of refusal to submit to treatment.* (1). An able-bodied adult who is  
22 required to participate in treatment under par. (a) but who refuses to participate in  
23 treatment by doing any of the following is ineligible to participate in the employment  
24 and training program until the individual agrees to participate in treatment while  
25 still eligible for the food stamp program:

1 <sup>el 1.</sup> (a) Failing or refusing to complete a form or release required for treatment  
2 program administration, including a form or release required by the treatment  
3 provider in order to share information with the administering agency about the  
4 able-bodied adult's participation in treatment.

5 <sup>el 2.</sup> (b) Failing or refusing to participate in a controlled substance test required by  
6 the treatment provider or the administering agency during the course of required  
7 treatment, including any random controlled substance testing directed by the  
8 treatment provider or administering agency.

9 <sup>el 3.</sup> (c) Failing or refusing to meet attendance or participation requirements  
10 established by the treatment provider.

11 <sup>el 4.</sup> (d) Failing or refusing to complete a substance abuse assessment.

12 (g) *Completion of required treatment.* An able-bodied adult required under par.  
13 (a) to participate in treatment is considered to have successfully completed  
14 treatment if all applicable components identified under par. (c) are satisfied.

15 (h) *Work requirements while in treatment.* An able-bodied adult who is  
16 participating in an employment and training program is exempt from complying  
17 with requirements to work a specified number of hours under s. 49.79 (9) or (10) while  
18 participating in treatment under this subsection.

19 (6) EFFECT OF COMPLETION, WITHDRAWAL, OR TERMINATION FROM EMPLOYMENT AND  
20 TRAINING PROGRAM. An able-bodied adult who satisfies any of the following is no  
21 longer subject to s. 49.79 (9) (d) or this section:

22 (a) The able-bodied adult has completed or voluntarily withdrawn from  
23 participation in an employment and training program.

24 (b) The able-bodied adult is terminated from an employment and training  
25 program for reasons unrelated to this section.

1 (c) The able-bodied adult is no longer subject to the requirements of s. 49.79  
2 (10).

3 (7) CONFIDENTIALITY OF RECORDS. Completed screening questionnaires,  
4 prescriptions, testing results, and treatment records relating to this section may not  
5 be disclosed except for purposes connected with the administration of an  
6 employment and training program or except when disclosure is otherwise authorized  
7 by law or by written consent from the individual who is the subject of the record. The  
8 department may establish administrative, physical, and technical safeguard  
9 procedures administering agencies must follow to assure compliance with state and  
10 federal laws related to public assistance program records, drug testing and  
11 treatment records, and medical records.

12 (8) APPEALS. An adverse decision under this section may be appealed under 7  
13 CFR 273.15 and procedures established in rules promulgated by the division of  
14 hearings and appeals.

15 (9) PAYMENT OF COSTS FOR SCREENING, TESTING, AND TREATMENT. (a) The  
16 department shall pay for all costs related to screening able-bodied adults under sub.  
17 (3), including the costs of producing, administering, and reviewing screening  
18 questionnaires.

19 (b) The department shall pay for all costs related to testing able-bodied adults  
20 under sub. (4), including any costs related to contracting with qualified drug testing  
21 vendors under sub. (4) (c).

22 (c) The department shall pay costs for treatment under sub. (5) that are not  
23 covered by the Medical Assistance program under subch. IV of ch. 49 or other private  
24 insurance. Payments by the department under this paragraph shall be at rates no

1 higher than the rates paid for comparable services under the Medical Assistance  
2 program.

3 END INSERT

4 INSERT

5 **SECTION 7.** 601.83 (1) (a) of the statutes, as created by 2017 Wisconsin Act 138,  
6 is amended to read:

7 601.83 (1) (a) ~~Subject to par. (b), the~~ The commissioner shall administer a  
8 state-based reinsurance program known as the healthcare stability plan in  
9 accordance with the specific terms and conditions approved by the federal  
10 department of health and human services dated July 29, 2018. Before December 31,  
11 2023, the commissioner may not request from the federal department of health and  
12 human services a modification, suspension, withdrawal, or termination of the waiver  
13 under 42 USC 18052 under which the healthcare stability plan under this  
14 subchapter operates unless legislation has been enacted specifically directing the  
15 modification, suspension, withdrawal, or termination. Before December 31, 2023,  
16 the commissioner may request renewal, without substantive change, of the waiver  
17 under 42 USC 18052 under which the health care stability plan operates in  
18 accordance with s. 20.940 (4) unless legislation has been enacted that is contrary to  
19 such a renewal request. The commissioner shall comply with applicable timing in  
20 and requirements of s. 20.940.

21 **SECTION 8.** 601.83 (1) (b) of the statutes, as created by 2017 Wisconsin Act 138,  
22 is repealed.

23 **SECTION 9.** 601.83 (1) (g) of the statutes, as created by 2017 Wisconsin Act 138,  
24 is amended to read:

1           601.83 (1) (g) The commissioner may promulgate any rules necessary to  
2 implement the healthcare stability plan under this section, except that any rules  
3 promulgated under this paragraph shall seek to maximize federal funding for the  
4 healthcare stability plan and shall comply with this section and with the approval  
5 by the federal department of health and human services dated July 29, 2018. The  
6 commissioner may promulgate rules necessary to implement this section as  
7 emergency rules under s. 227.24. Notwithstanding s. 227.24 (1) (a) and (3), the  
8 commissioner is not required to provide evidence that promulgating a rule under this  
9 paragraph as an emergency rule is necessary for the preservation of the public peace,  
10 health, safety, or welfare and is not required to provide a finding of emergency for a  
11 rule promulgated under this paragraph. An emergency rule promulgated by the  
12 commissioner under this paragraph before January 1, 2019, remains in effect until  
13 it is superseded by a subsequent permanent rule.

14           **SECTION 10.** 601.83 (1) (h) of the statutes, as created by 2017 Wisconsin Act 138,  
15 is amended to read:

16           601.83 (1) (h) In 2019 and in each subsequent year, the commissioner may  
17 expend no more than \$200,000,000 from all revenue sources for the healthcare  
18 stability plan under this section, unless the joint committee on finance under s. 13.10  
19 has increased this amount upon request by the commissioner. The commissioner  
20 shall ensure that sufficient funds are available for the healthcare stability plan  
21 under this section to operate as described in the approval of the federal department  
22 of health and human services dated July 29, 2018.

23           **SECTION 11.** 601.83 (1) (i) of the statutes is created to read:

24           601.83 (1) (i) The commissioner shall complete and submit any reports, provide  
25 any information, and participate in any oversight activities required by the federal

1 department of health and human services to implement and maintain the healthcare  
2 stability plan under this subchapter.

3 **SECTION 12.** 601.85 (4) of the statutes, as created by 2017 Wisconsin Act 138,  
4 is repealed.

5 END INSERT

6 INSERT NONSTATS ✓

7 (2) REQUIREMENTS FOR EXISTING CHILDLESS ADULTS MEDICAL ASSISTANCE  
8 RECIPIENTS. Notwithstanding the requirement in s. 49.45 (23b) to begin as soon as  
9 practicable after October 31, 2018, all of the following apply to the demonstration  
10 project under s. 49.45 (23) and (23b):

11 (a) The 48-month eligibility period for current recipients of Medical Assistance  
12 under s. 49.45 (23) who are not participating in an activity that qualifies as a  
13 community engagement activity begins no sooner than October 31, 2019, or no  
14 sooner than the first of the month when the eligibility of a recipient has been  
15 established, if all beneficiaries who will be subject to the community engagement  
16 activity requirement have been adequately notified.

17 (b) The requirement for current recipients of Medical Assistance under s. 49.45  
18 (23) to complete a health risk assessment applies no sooner than October 31, 2019.

19 (1) WISCONSIN HEALTHCARE STABILITY PLAN 2019 PAYMENT PARAMETERS.  
20 Notwithstanding 2017 Wisconsin Act 138, SECTION 11 (1), for the 2019 benefit year,  
21 the commissioner of insurance shall set as payment parameters for the healthcare  
22 stability plan under subch. VII of ch. 601 an attachment point of \$50,000, a  
23 coinsurance rate of 50 percent, and a reinsurance cap of \$250,000. The commissioner  
24 of insurance may not adjust the payment parameters for the 2019 benefit year.

1 (1r), 227.40 (4) (d), 227.47 (3), 238.399 (3) (f), 285.16, 301.03 (16), 343.165 (8),  
2 343.50 (1) (c) 2., 343.50 (3) (c), 601.83 (1) (i), 803.09 (2m) and 893.825 of the  
3 statutes; and **to affect** 2017 Wisconsin Act 59, section 9145 (4w); **relating to:**  
4 legislative power and duties, state agency and authority composition and  
5 operations, administrative rule-making process, federal government waivers, and  
6 unemployment insurance work search and registration requirements, and  
7 making an appropriation.

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*Analysis by the Legislative Reference Bureau*

**LEGISLATURE**

**1.**

This bill requires the Building Commission to establish an amortization schedule for each short-term, general obligation debt authorized by the commission. The amortization schedule must provide that a portion of the principal amount of the debt is retired annually over the life of the improvement or asset to which the debt is related. An amortization schedule established as required under the bill may not be modified except as authorized by the Joint Committee on Finance under passive review.

**2.**

Under current law, the membership of the Building Commission consists of the following:

1. The governor, who serves as chairperson.
2. Three senators, including at least one senator from the minority party in the senate.
3. Three assembly representatives, including at least one representative from the minority party in the assembly.
4. One citizen member appointed by the governor, who serves at the governor's pleasure.
5. The secretary, head of the engineering function, and ranking architect of the Department of Administration, who serve as nonvoting advisory members.

This bill eliminates from the membership of the Building Commission the citizen member appointed by the governor.

**3.**

This bill increases the legislative membership of the State Capitol and Executive Residence Board from three to seven members for each house. The board is responsible for directing the maintenance of the property, decorative furniture, and furnishings of the capitol and executive residence.

1 (11) ✓ CURRENT MEMBERS. The members of the board of directors of the Wisconsin  
2 Economic Development Corporation serving at the pleasure of the speaker of the  
3 assembly and senate majority leader on the day before the effective date of this  
4 subsection shall continue to serve at pleasure pending the appointment of members  
5 under sub. (10), but may not serve after January 6, 2019, unless appointed under  
6 sub. (10).

7 (12) ✓ The secretary of administration shall exclude from the calculation under  
8 s. 16.518 (2) all additional revenue deposited in the general fund that is attributable  
9 to a decrease in individual income tax rates under s. 73.03 (71), as determined by the  
10 secretary of administration in consultation with the department of revenue.

11 **SECTION 206. Initial applicability.**

12 (14) The treatment of ss. 227.135 (3), 227.185, and 227.24 (1) (e) 1d. and 1g.,  
13 the renumbering and amendment of s. 227.135 (2), and the creation of s. 227.135 (2)  
14 (a) 2. first apply to a proposed rule or emergency rule whose statement of scope is  
15 submitted to the legislative reference bureau for publication under s. 227.135 (3) on  
16 the effective date of this subsection.

17 **SECTION 207. Initial applicability.**

18 (16) ✓ FINAL DECISION OF AN AGENCY. The treatment of ss. 227.46 (1) (h), (2), (2m),  
19 (3) (a) and (8) and 227.47 (1) and (3) first applies to requests for hearings made on  
20 the effective date of this subsection.

21

(END)